

exemption lets increase it. Instead of putting 4.7 million dollars in the general homestead exemption, let's put in 60 million dollars and in doing so let's provide our home owners with some real honest to gosh bona fide property tax relief. I passed out two charts. The first chart comes from the publication of the American Commission on Intergovernmental Relations, entitled, "Significant Features of Fiscal Federalism", the 80-81 addition. This particular chart which you may look at shows the average effective property tax rates on single family homes by state and by region. Now if you get down to Nebraska, you will discover that our property tax rate in 1980, the effective rate of our homes in our state was 2.37%, which meant very simply that for a \$100,000 house one's property tax in Omaha would be \$2,370; or, for a \$100,000 house in Scottsbluff it would be the same. You might compare this to what the situation is like out in California. In California if you look at it, California in 1977 had an effective property tax rate of 2.21%, did it not? As a result of the very high property tax rate they got ole proposition 13, didn't it? It went down to .98%. Take a look at Massachusetts. Massachusetts in 1977 had a property tax rate of 3.50, as a result of proposition 2½ which said our property taxes will not be more than 2½% of actual value. It is now down in 1980 to 2.51. Take a look at Idaho, take a look at Michigan, take a look at other states where there have been property tax revolts and what you will find is that when the property...the effective property tax rate in a state got above 2% the voters there said we are going to put something in our constitution that is going to get our property taxes down and that is what happened in state after state after state. Now in Michigan we don't have the full . . . in Michigan we don't have the full . . . In Michigan it was in 1980 that the Headley Constitutional Amendment passed, which will reduce the Michigan property taxes very substantially. So we don't have the full effect shown there for that effort in this chart. But, you can begin to see what is happening state after state after state. Nebraska today remains one of the highest property tax states nationally. Now if you take 60 million dollars and you put 60 million dollars in our general homestead exemption, you can look at the second chart and you can see exactly what it will do. I had this chart prepared for me by our fiscal analyst, by our research council, Ron Bowmaster prepared it and he said very simply that what will happen there is our. . . we will have basically a 20% reduction of our property taxes on our residences as a result of putting in 60 million dollars in the homestead exemption. Now in my opinion a 20% reduction in the property taxes for homeowners is very significant and is the kind of activity which is designed to head off what I believe to be an incipient property tax revolt. I mean I keep hearing the rumblings of it, I know what we are now doing in our budget, we are not providing a shred of property tax relief